

15 JUN 1981

MEMORANDUM FOR: Chief, Plans and Programs Staff, OL

FROM:

Acting Chief, Printing and Photography  
Division, OL

SUBJECT: Cost Savings and Efficiency Measures

1. This memorandum is in response to the Director of Logistics' request for information regarding Printing and Photography Division's (P&PD) cost, manpower, and space saving initiatives undertaken in the recent past, and planned for the near-term future. Also included are measures which effect no specific savings, but do permit P&PD to perform its mission more efficiently and effectively.

2. The following items document P&PD's efforts to economize or improve efficiency during the past two years:

A. Printing Plant Consolidation - The Special Printing Plant, located in Room GJ-56 Headquarters, was merged with the Main Printing Plant on 1 July of 1979. This consolidation resulted in the elimination of seven positions, the saving of 2,400 square feet of floor space, and equipment and supply cost avoidance of over \$300,000. Significant unquantifiable benefits relating to the functional efficiencies that resulted from operating one plant rather than two should also be noted.

B. Acquisition of Web Press - P&PD installed a web offset printing press in January of 1980. Utilization of this press saves the Press Branch one man year for each year it is used. This device also makes improved quality and decreased job turnaround possible, and because the web press uses roll paper rather than cut sheets, selected paper costs are reduced as much as forty percent.

C. Muller-Martini Saddle Gatherer - This piece of bindery equipment supports the operation of the web press by providing an improved means of finishing (collating, stitching, trimming) the web's output. This machine reduces book finishing time by a third.

D. ETECs Full Page Composition - Selected National Foreign Assessment Center (NFAC) publications are currently undergoing automated full page makeup through the improved utilization of the ETEC System by P&PD. This results in a savings of one man year for NFAC. P&PD's Composing Branch must expend a portion of this saved man year, however, there is still a net manpower savings, and product quality and throughput are significantly improved.

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E. Bisynchronous Communications Data Link - This is a communications facility connecting ETECS to the Office of Data Processing (ODP) computer center. It allows the transfer of data resident in ODP's VM/370 system to ETECS for typesetting, and ultimately publication. Processing data in this manner permits the capture of original keystrokes, allowing the data to be compacted through the use of printer's type, thereby reducing costs and greatly improving product quality.

F. Camex ProFormer - P&PD's Composing Branch recently installed a computer driven forms generation system called the Camex ProFormer. This device reduces the time required to produce original forms by about 10 percent; updates to forms already in the system are accomplished in one-half the previous time.

G. Management Information System - In order to facilitate inventory control, job scheduling and tracking, gathering production information, and determining resource allocation, P&PD recently installed and implemented an automated management information system. It is difficult to quantify the savings this system makes possible; however, greater control of resources and expanded capability to measure production effort and output will certainly benefit P&PD management and its customers.

H. Press Comments Format Change - The format of the Press Comments publication was changed from 8 x 12 1/2 inches to 8 x 10 1/2 inches in October 1980. This has allowed the Press Comments to be printed on the web press, thereby saving three hours each in the Press and Bindery Branches on each of the four days that the publication is produced. Utilizing the web press also effects a forty percent paper savings as a result of the smaller page size and the use of less expensive roll paper.

I. Videotape Replication - Until May of 1981 P&PD had contracted with Byron Film Laboratory for the replication of videotape. The cost of this service for one year amounted to \$62,500. In May P&PD's Photography Branch installed its own videotape replication system at a cost of \$66,500. Using conservative projections it is estimated that P&PD will save approximately \$30,000 this coming year through the use of its own system. Also significant are the security implications of no longer having to utilize an outside vendor for the production of sometimes sensitive material.

J. DDO Technical Manual Duplication - P&PD is involved in the reproduction of technical manuals for a component of the Directorate of Operations (DO). Until recently this reproduction service was performed using costly and time-consuming photographic processes. A reevaluation of the project and available equipment led to the development of a system which dramatically reduced the cost of supporting this activity. By substituting xerography for photography it has become possible to produce some 60,000 original documents per year for \$135,000 as opposed to a projected \$2,100,000. This almost \$2,000,000 is predominantly a DO saving as they were supported by P&PD on a reimbursable basis.

3. The following items represent the cost, manpower, and efficiency actions P&PD intends to take during the next two years:

A. P&PD Reorganization - The reorganization of P&PD is designed to consolidate the present organizational structure to improve channels for management control and communication. Career development, production quality, and timeliness will be enhanced, most significantly, through the merger of Composing and Offset Photography Branches into the Prepress Branch. Additionally, the Graphics and Visual Aids Staff will fall under the jurisdiction of the Photography Branch, and the Copy Center will become a satellite Staff under the Bindery Branch. Administrative matters will be handled through the Office of Management Support and will comprise the Logistics Support, Systems, and Administrative Staffs. The Chief/OMS will report directly to the Office of the Chief/P&PD. The reorganization will also result in a three position reduction in P&PD's staffing complement.

B. Reduction in Maintenance Costs - It is estimated that P&PD will save \$14,500 in FY 82 by performing in-house maintenance services on equipment which is now maintained by outside vendors. This excludes maintenance on Atex, Autologic, ECRM, and RLG systems.

C. Census-Built Camera - P&PD currently employs three microfilm camera operators each day to support the source document filming of the JPRS project. Conventional planetary cameras are used. It is expected that the utilization of the \$40,000 Census-built camera will enhance production on this continuing project by a factor of five. This savings in manpower represents a production capability of five man years.

D. Motion Picture Color Film Processor - The P&PD Photography Branch expects to procure a motion picture

color film processor in FY 82 to process film currently processed under a contract with an outside vendor. The cost of this service is approximately \$21,000 a year at current production levels. By utilizing the proposed processor \$18,000 per year can be saved. The cost of the processor is \$50,000.

E. Laser Platemaker - P&PD plans to acquire a laser platemaker sometime during FY 82. This device will initially reduce P&PD's film costs by about \$80,000 per year. Following a successful laser platemaker implementation, P&PD intends to purchase a color separation scanner, an electronic camera, and the hardware and software necessary to integrate all of this equipment with ETECS, thereby creating a totally digital-based prepress system. The manpower and efficiency implications of such a system are enormous.

F. 50-inch Single-Color Press - P&PD has identified a 50-inch single-color press as a critical need item for FY 82. This press would replace a 48-inch press which is 26 years old, in frequent need of repair, and for which there are no spare parts. The new press would permit higher quality output and increased productivity due to its higher operating speed. It is estimated that this increased productivity will result in the saving of one man year.

G. 40-inch Four-Color Press - In the FY 83 timeframe P&PD would like to acquire a 40-inch four-color perfecting press to replace two aging presses, one a two-color, and one a single-color. A continuation of the trend toward greater use of color in intelligence products is basic to the justification for this procurement. It is estimated that one man year per year would be saved due to the greater productivity possible with this press.

H. Full Page Composition of NFAC Publications - By the end of the subject period it is intended that virtually all of NFAC's publications will be formatted in full-page form on ETECS. The result of this expanded use of automation will be a four man year saving for NFAC; however, P&PD's Composing Branch will incur a two man year production effort to provide this support.

I. Mini-Edit - P&PD has requested the trial rental of an Atex 8090 (Mini-Edit) Text Editing System for use by NFAC personnel. NFAC will use this system (which will be connected to ETECS) to produce the NID, PDB, Alert Memoranda, and drafts of NIEs. These high level, time critical publications are currently produced using typescript copy, and consequently suffer from a lack of

appropriate quality and high production cost. The use of the Mini-Edit will reduce production costs for NFAC, and improve product quality; however, as with the previous item a portion of the production time saved by NFAC will be lost because of the increased workload in P&PD.

J. Xerox 5700 - P&PD has arranged for the procurement of a Xerox 5700 intelligent copier on a six month trial basis. The 5700 will be installed adjacent to the Mini-Edit in NFAC space on the seventh floor of Headquarters. Like the Mini-Edit it will be connected to ETECS and will serve as a report generator for publications which do not require the maximum quality of traditional printing. The 5700 will also serve as a copier, a data communicator, and may possibly prove to be an effective facsimile device. It is not possible at this time to determine actual savings or to quantify the benefits the 5700 may make possible.

K. Project MIDAS - P&PD will actively support project MIDAS by providing typesetting services for those FBIS Daily Report volumes selected for automated production. It is expected that two volumes will be converted to typeset form this coming January with subsequent conversions to take place in stages. The greatest portion of the benefits of this automation project will accrue to FBIS; however, P&PD will benefit by handling less material in its Press and Bindery Branches because of the data compaction resulting from typesetting. The typesetting effort will be negligible initially.

L. Cable Generation Via ETECS - Significant portions of intelligence publications must be communicated to the field in cable form. These cables are now generated by completely rekeying the selected data even though it already exists in ETECS. It has been proposed for FY 82 that these cables initially be generated utilizing ETECS to produce scannable hard copy for the Office of Communications Cable Dissemination System scanner, and that a fully electrical facility ultimately be developed for the long term. It is believed that as many as two NFAC man years can be saved as a result of this proposal. Here again a substantial portion of this saving would be utilized by P&PD to provide necessary support.

M. Remote Electronic Printing - P&PD is participating in the OL, ODP, OC task group on Remote Information Media Centers. The group is to determine the feasibility of establishing such a center [redacted] by early FY 82. Lessons learned with this experiment will be used to determine the viability

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of setting up centers elsewhere in the Headquarters area, and what those centers should include. It is not yet possible to determine what if any savings or efficiencies will result from this exercise.

N. Consolidated Copier Management Program - Assuming approval of the planned copier management program which will allow reduced maintenance and rental costs, and more efficient bill paying procedures, a yield of up to \$250,000 by the close of FY 83 is expected.

4. If you require additional information on any item(s) included here please contact

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